

§ 21.4280

percent of those pursuing the correspondence-residence course require six months or more to complete it.

(The information collection requirements in this section have been approved by the Office of Management and Budget under control number 2900-0575.)

(Authority: 38 U.S.C. 3672(e))

(b) *Payment for pursuit of a correspondence-residence program.* The rate of educational assistance payable to a spouse or surviving spouse under 38 U.S.C. Chapter 35 for the residence portion of a correspondence-residence course or program shall be computed as set forth in §§ 21.3131(a) and 21.4270.

(1) The charges for that portion of the course or program pursued exclusively by correspondence will be in accordance with § 21.3131(a) with 1 month entitlement charged for each \$404 of cost reimbursed.

(Authority: 38 U.S.C. 3534)

(2) The charges for the residence portion of the program must be separate from those for the correspondence portion.

[38 FR 7394, Mar. 21, 1973, as amended at 39 FR 45237, Dec. 31, 1974; 43 FR 35308, Aug. 9, 1978; 50 FR 19936, May 13, 1985; 61 FR 29296, June 10, 1996; 62 FR 63850, Dec. 3, 1997]

§ 21.4280 [Reserved]

Subpart E [Reserved]

Subpart F—Education Loans

AUTHORITY: 38 U.S.C. 501, 3537, 3698, 3699, unless otherwise noted.

§ 21.4500 Definitions.

(a) *General.* These definitions shall be applicable for subpart F of part 21.

(b) *Education loan.* A loan made by the Department of Veterans Affairs to an eligible spouse or surviving spouse pursuant to 38 U.S.C. 3512(f) and 3698.

(c) *Academic year.* The 9 month period usually from August or September to May or June, which includes generally two semesters or three quarters.

(d) *Loan period.* (1) The Department of Veterans Affairs will make loans normally for a quarter, semester, summer term or two consecutive quarters.

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(2) The Department of Veterans Affairs may grant a loan to an eligible spouse or surviving spouse attending a course not organized on a term, quarter or semester basis if the course requires at least 6 months at the full-time rate to complete. A loan will be granted for not more than 6 months at a time.

(Authority: 38 U.S.C. 3512(f), 3698)

(i) The Director of the Department of Veterans Affairs facility of jurisdiction may waive the requirement that such a course must take at least 6 months to complete. Such a waiver of the length of the course shall be granted by the Director only if a school requests one for a course and the Director finds that:

(A) During the previous 2 years at least 75 percent of the students enrolled in the course completed it.

(B) During the previous 2 years at least 75 percent of the persons completing the course found employment in the occupational category for which the course is designed to provide training.

(C) The default rate on all Department of Veterans Affairs education loans ever made to students at the educational institution does not exceed 5 percent or 5 cases, whichever is greater.

(D) The default rate on all loans ever made to students pursuant to loan programs administered by the Department of Education does not exceed 5 percent or five cases, whichever is greater.

(E) The course is at least 3 months long.

(F) The course is approved for full-time attendance only.

(G) No more than 35 percent of the students attending the course are receiving educational assistance from the Department of Veterans Affairs.

(H) The Field Director for the region in which the Department of Veterans Affairs facility is located concurs in the waiver.

(ii) If a school disagrees with a decision of a Director of a Department of Veterans Affairs facility, it may, within 1 year from the date of the letter from the Director informing the school